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ACTING MEMBER
STATE BOARD OF EQUALIZATION

January 31, 2005

TAX AMNESTY PROGRAM FEBRUARY 1, 2005 – MARCH 31, 2005

Limited Opportunity for Taxpayers to Clear Outstanding Tax Liabilities

Enacted by the Legislature as part of the 2004-05 State Budget, the Tax Amnesty Program is a unique opportunity for taxpayers to pay past sales and use taxes or franchise and income taxes owed, without penalties, and at the same time, generate revenues to support state and local programs such as education, health care, public safety, and transportation.

The following is a summary of the Tax Amnesty Program:

Who: One is eligible to participate in the Tax Amnesty Program for tax reporting periods that started before January 1, 2003, if one:

- Has an existing unpaid liability
- Did not file a return or report tax for a taxable sale or purchase
- Underreported sales or purchases on a previously filed return

What: Under amnesty, individuals and businesses can pay taxes and interest for reporting periods beginning prior to January 1, 2003 without penalties and without fear of criminal prosecution. However, anyone who has past tax liabilities but does not participate in the amnesty program will be subject to an interest penalty and increased penalties on the outstanding liability and new tax assessments.

When: The amnesty period starts February 1, 2005, and ends March 31, 2005.

Where: For more information about the Tax Amnesty Program or for an application:

- Consult: <http://www.taxes.ca.gov>
- Call the Board of Equalization with sales and use tax amnesty questions: **1-800-400-7115**